

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554



In the Matter of:

Amendment of Policies and Rules
Concerning Operator Service
Providers and Call Aggregators

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CC Docket No. 94-158

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AMERITECH'S INITIAL COMMENTS
OF THE COMMISSION'S NOTICE OF RULE MAKING
AND NOTICE OF INQUIRY

The Ameritech Operating Companies¹ ("Ameritech" or the "Company") respectfully offer the following comments on the Notice of Proposed Rule Making ("NPRM") and Notice of Inquiry ("NOI") released in the above-captioned docket on February 8, 1995.

I.

INTRODUCTION

In this docket, the Commission solicits comments on four issues relating to its rules and policies governing operator service providers ("OSPs") and call aggregators. Ameritech generally supports the rules which the Commission has proposed in the NPRM portion of this docket. Regarding the NOI, Ameritech offers some information which is pertinent to

¹ The Ameritech Operating Companies are: Illinois Bell Telephone Company, Indiana Bell Telephone, Incorporated, Michigan Bell Telephone Company, The Ohio Bell Telephone Company and Wisconsin Bell, Inc.

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the Commission's inquiry and the Company looks forward to commenting on any rules which may be proposed in the future on the basis of the record in this NOI.

II.

IT WOULD NOT BE UNREASONABLE FOR THE COMMISSION TO REQUIRE BRANDING ON BOTH ENDS OF A COLLECT CALL, BUT THE FINANCIAL RESPONSIBILITY FOR SUCH A CALL MUST REMAIN CLEAR.

The Commission notes that the Communications Act and its Rules require an OSP to identify itself to the consumer at the beginning of each telephone call and before the consumer incurs any charge for the call, an identification commonly referred to as "call branding."² The term "consumer" is defined as "a person initiating any interstate telephone call using operator services."³ On collect calls, the Commission notes, two parties make decisions requiring informed choices: one is the party who chooses to make a collect call from a particular telephone and, the other is the called party who decides whether to accept the call and thereby incur the charges for the call. Accordingly, the Commission proposes to re-define the term "consumer" in 47 CFR Section 64.708(d) and refer to both the calling and the called party so that both receive a brand identification before they commence their portion of the collect call transaction.⁴

² NPRM at par. 3; 47 U.S.C. Sec. 226(b)(1)(A); 47 CFR Sec. 64.703(A)(1).

³ 47 U.S.C. Sec. 226(a); 47 CFR Sec. 64.708(D).

⁴ NPRM at par. 5.

Ameritech does not think it would be unreasonable for the Commission to require branding of both ends of a collect call because, as the Commission notes, both parties to the call cooperatively initiate the call as consumers and both are required to make informed choices about the carrier handling the call.⁵ Ameritech currently brands both ends of such calls and has not experienced substantial problems with the practice.

However, if the Commission redefines the term “consumer” on collect calls to include the calling and called parties, it may be prudent for the Commission to make it clear that the party who accepts the charges for a collect call remains accountable for the bill associated with the call just as they are today. Otherwise, the billed party who received the call may mistakenly think the calling party -- who, given the new definition, would also be a consumer for the call -- is the one financially responsible for the applicable charges. The Commission did say that for a collect call today, “the called party decides whether to accept the call and thereby incur the charges.”⁶ The Commission simply needs to reaffirm that in making the proposed change, it is not making any change with respect to the party responsible for the charges associated with collect calls.

⁵ Id.

⁶ Id. (emphasis added).

III.

ALL OSPs AND AGGREGATORS SHOULD BE SUBJECT TO THE SAME RULES AND REGULATIONS FOR ROUTING AND HANDLING EMERGENCY CALLS.

The Commission notes that Section 226(d)(4)(A) of the Telecommunications Authorization Act of 1992 requires the Commission “to establish minimum standards for aggregators,⁷ as well as OSPs, to use in routing and handling emergency calls.”⁸ The Commission previously established such rules for OSPs.⁹ The Commission now proposes to extend those same rules to aggregators. The Commission also asks whether aggregators, such as payphone operators, should be required to program their equipment to recognize emergency dialing sequences and allow consumers to place such calls without charge.¹⁰

Ameritech believes that all OSPs and aggregators should be subject to the same rules and regulations for handling emergency calls. Given the public safety considerations which caused the Commission to adopt those rules and regulations in the first place, it is difficult to understand why they should not be made to apply to all who handle the same type of emergency calls. In addition, different regulatory burdens for the various service

⁷ An “aggregator” is “any person that, in the ordinary course of its operations, makes telephones available to the public or to transient users of its premises, for interstate telephone calls using a provider of operator services.” 47 CFR Sec. 64.708(B).

⁸ NPRM at par. 2, 6-7.

⁹ *Id.* at par. 6.

¹⁰ *Id.* at par. 7. Ameritech does not impose a charge for handling emergency calls from its pay phones.

providers are difficult to justify given this increasingly competitive marketplace. For both reasons, this Commission proposal seems reasonable.

IV.

INMATE SERVICE CONTINUES TO BE A UNIQUE OFFERING AND CURRENT RULES SHOULD REMAIN IN EFFECT.

As part of the NOI portion of this docket, the Commission asks several questions about “whether the goals of Section 226 and the public interest have been met through our [the Commission’s] current treatment of inmate-only telephones in correctional institutions.”¹¹

Ameritech believes that inmate service is unique. In correctional institutions, there is an especially critical risk of telephone fraud and telephone harassment being perpetrated over pay phones. The staff of a correctional institution has an especially critical interest in preventing and investigating criminal activity. Specific on-site management capabilities for pay phones often are required to ensure immediate response to special circumstances which may occur within the institution.

Given the unique nature of a correctional institution, pay phones located there must have the following features:

- blocking of access to 911 and other emergency services to prevent false alarms;
- blocking of access to 976, 900 and 800 services to prevent fraud;
- blocking of specific telephone numbers to prevent harassment of corrections staff, judges, prosecutors and witnesses;

¹¹ NOI at par. 11.

- blocking or alarming of calls to specific numbers which may be fraudulently connecting calls to avoid billing;
- random announcement throughout the duration of the call warning the called party of the source of the call;
- call timing to enable the correctional staff to manage the pay phone;
- restrictions on the number of calls to a given party;
- lawful monitoring of calls;
- immediate access to call detail records for investigative purposes; and
- restricted 10XXX dialing or other forms of IXC access to prevent fraud.

There may be other features, as well. In this regard, the Commission should give especially careful consideration to the comments which may be offered by the correctional institutions on this issue.

V.

IF THE COMMISSION DETERMINES IN THIS NOI THAT THERE IS A PROBLEM WITH CERTAIN AGGREGATORS UPDATING THEIR CONSUMER INFORMATION NOTICES, IT SHOULD CONSIDER ESTABLISHING GUIDELINES FOR POSTING UPDATED NOTICES.

Aggregators are required to post certain consumer information on or near the telephone instrument, including information about the presubscribed OSP. However, there currently is no rule which requires that this customer notice be updated within any specific period of time to reflect a change in presubscribed OSP. The Commission asks in the NOI portion of

this docket whether it should establish a specific time limit for updating this consumer information.¹²

Ameritech believes that if the Commission determines that there really is a problem with aggregators failing to update the name of the presubscribed OSP in their consumer notices within a reasonable period of time, then the Commission probably should consider establishing guidelines for such updates. However, the Commission says in the NOI that failure to provide timely updates may be a problem only with “some” aggregators.¹³ Hopefully, this NOI process will provide the Commission with additional information about whether a serious problem exists. Without this additional information, the industry cannot help the Commission tailor a rule or guideline to deal with the particular problem. But, if there is a problem in this area that does need to be resolved through a rule or guideline, then the solution should be directed only to those who have created the problem and not to those who have been more responsible in updating their consumer notices.

VI.

CONCLUSION

For the reasons stated in these Initial Comments, it would be reasonable for the Commission to require branding at both ends of a collect call and to adopt common rules for OSPs and aggregators which handle

¹² Id. at pars. 11-12.

¹³ NOI at par. 12.

emergency calls. The Commission should continue to view inmate service as unique and should consider guidelines for updating consumer information notices on pay phone provided the Commission first determines there is a problem that needs to be addressed.

Respectfully submitted,

A handwritten signature in cursive script, reading "Michael J. Karson".

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